



WILLIAM T FUJIOKA  
Chief Executive Officer

County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

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*"To Enrich Lives Through Effective And Caring Service"*

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January 07, 2014

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

14 January 7, 2014

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**JOINT RESOLUTION BETWEEN THE CITY OF PALMDALE AND THE  
COUNTY OF LOS ANGELES APPROVING AND ACCEPTING THE NEGOTIATED  
EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION  
OF UNINCORPORATED TERRITORY TO THE CITY OF PALMDALE  
(ANNEXATION NO. 2011-07)  
(FIFTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Adoption of the Joint Resolution for the annexation of unincorporated territory to the City of Palmdale.

**IT IS RECOMMENDED THAT THE BOARD:**

Adopt the Joint Resolution between the Board and the City Council of the City of Palmdale based on the negotiated exchange of property tax revenue, as a result of the proposed Annexation 2011-07 of approximately 20 acres of unincorporated territory to the City of Palmdale.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The City Council of the City of Palmdale has adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated territory to the City of Palmdale. The territory consists of approximately 20 acres located between 10th Street West and 11th Street West, north of Avenue O, and on the east side of 11th Street West from Avenue O to Avenue O-4.

In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed annexation, the Board, as the governing body of the County, must first adopt the Joint Resolution.

### **FISCAL IMPACT/FINANCING**

The adopted Joint Resolution will transfer One Thousand, Eight Hundred, and Twenty-Two Dollars (\$1,822) in base property tax revenue from the County General Fund to the City and will allocate a share – approximately 6.612 percent of the annual property tax increment in Tax Rate Area 02463, 4.247 percent in Tax Rate Area 07034, 6.612 percent in Tax Rate Area 09558, and 6.456 percent in Tax Rate Area 12900 – from the County to the City, as contained in the Joint Resolution. An adjustment will be made to the County budget in the fiscal year following the filing of the statement of boundary change for Annexation 2011-07 with the California State Board of Equalization.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Part 3, Title 5 of the California Government Code, commencing with Section 56000, the City of Palmdale adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City.

Section 99 of the California Revenue and Taxation Code (R & T Code) requires that prior to the scheduling of annexation proceedings at LAFCO, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must address the fiscal impacts of the proposed annexation by negotiating a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City Council of the City of Palmdale has adopted the negotiated Joint Resolution, as required by Section 99 of the R & T Code.

The proposed territory to be annexed to the City of Palmdale is currently within the County of Los Angeles Road Maintenance District No. 5 (RMD No. 5), County Public Library system, County Lighting Maintenance District 1687 (CLMD 1687), and County Lighting District LLA-1, Unincorporated Zone (CLD-LLA-1, Unincorporated Zone). Upon annexation of the territory to the City, the territory will be detached from County RMD No. 5, withdrawn from the County Public Library and CLMD 1687, and excluded from CLD LLA-1, Unincorporated Zone.

Adoption of the Joint Resolution by the Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal for the annexation.

The Joint Resolution has been approved as to form by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed project is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. This proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Upon the effective date of the annexation, the City will become responsible for providing municipal services to the area within its jurisdiction.

**CONCLUSION**

At such time as the recommendation is approved by the Board, please return one copy of the letter and five signed originals of the Resolution to LAFCO, one approved copy of the letter and a copy of the Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one approved copy of the letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:RLR:DSP  
JST:acn

Enclosures

c: Sheriff  
Executive Office, Board of Supervisors  
County Counsel  
Animal Care and Control  
Assessor  
Auditor-Controller  
Fire Chief  
Public Library  
Public Works  
Regional Planning

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF  
THE CITY OF PALMDALE, APPROVING AND ACCEPTING THE NEGOTIATED  
EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE  
ANNEXATION OF TERRITORY KNOWN AS ANNEXATION 2011-07 TO THE  
CITY OF PALMDALE, WITHDRAWAL FROM COUNTY LIGHTING MAINTENANCE  
DISTRICT 1687, EXCLUSION FROM COUNTY LIGHTING DISTRICT LLA-1,  
UNINCORPORATED ZONE, DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5,  
AND WITHDRAWAL FROM THE COUNTY PUBLIC LIBRARY SYSTEM**

**WHEREAS**, the City of Palmdale initiated proceedings with the Local Agency Formation Commission (LAFCO) for the County of Los Angeles for the annexation of territory identified as Annexation 2011-07 to the City of Palmdale; and

**WHEREAS**, pursuant to Section 99 of the California Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

**WHEREAS**, the area proposed for annexation is identified as Annexation 2011-07 and consists of approximately 20 acres of unincorporated territory located between 10th Street West and 11th Street West, north of Avenue O, and on the east side of 11th Street West from Avenue O to Avenue O-4; and

**WHEREAS**, the area is located within the boundaries of County Lighting Maintenance District 1687; and

**WHEREAS**, the City of Palmdale hereby agrees to the withdrawal of the proposed annexation territory from County Lighting Maintenance District 1687; and

**WHEREAS**, upon annexation of the proposed area to the City of Palmdale, the territory shall be withdrawn from County Lighting Maintenance District 1687; and

**WHEREAS**, the area is also located within County Lighting District LLA-1, Unincorporated Zone; and

**WHEREAS**, pursuant to Section 22613 of the California Streets and Highways Code, whenever any territory of an assessment district is included within a city by annexation or incorporation, that territory is thereby excluded from the assessment district; and

**WHEREAS**, upon annexation of the proposed area to the City of Palmdale, the territory will be automatically excluded from County Lighting District LLA-1, Unincorporated Zone; and

**WHEREAS**, the Board of Supervisors of the County of Los Angeles, as governing body of the County and the County of Los Angeles Road District No. 5, County Lighting Maintenance District 1687, County Lighting District LLA-1, Unincorporated Zone, and the County Public Library, and the City Council of the City of Palmdale, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Annexation 2011-07, detachment from County Road District No. 5, and withdrawal from the County Public Library system, is as set forth below:

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The City of Palmdale agrees that it will bear the full responsibility for the street lighting and lighting maintenance services in the proposed annexation area upon the withdrawal of the annexation territory from County Lighting Maintenance District 1687 and exclusion of the territory from County Lighting District LLA-1, Unincorporated Zone.

2. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Palmdale, resulting from Annexation 2011-07 is approved and accepted.

3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue received by County Road District No. 5, attributable to Annexation 2011-07 shall be transferred to the County of Los Angeles, and the County Road District No. 5 share in the annexation area shall be reduced to zero.

4. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio received by County Lighting Maintenance District 1687 attributable to Annexation 2011-07 in the annexation area shall be reduced to zero.

5. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio received by the County Public Library attributable to Annexation 2011-07 shall be transferred to the County of Los Angeles, and the County Public Library share in the annexation area shall be reduced to zero.

6. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, One Thousand Eight Hundred Twenty-Two Dollars (\$1,822) in base property tax revenue shall be transferred from the County of Los Angeles to the City of Palmdale.

7. For the fiscal year commencing after the filing of the statement of boundary change for Annexation 2011-07 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratio of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2011-07 territory shall be transferred from the County of Los Angeles to the City of Palmdale as shown below and the County's share shall be reduced accordingly:

<b>Tax Rate Area</b>	<b>Annual Tax Increment Ratio Transfer to the City</b>	<b>Tax Rate Area</b>	<b>Annual Tax Increment Ratio Transfer to the City</b>
02463	0.066117829	09558	0.066117829
07034	0.042465343	12900	0.064562888



The foregoing resolution was on the 7<sup>th</sup> day of January, 20 14, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



**SACHI A. HAMAI, Executive Officer  
Clerk of the Board of Supervisors  
of the County of Los Angeles**

By

Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI  
County Counsel

By

Deputy

(Signed in Counterpart)